1 BEFORE THE POLLUTION CONTROL HEARINGS BOARD STATE OF WASHINGTON 2 IN THE MATTER OF 3 GRAYSTONE CORPORATION, 4 Appellant, PCHB No. 81-41 5 FINAL FINDINGS OF FACT, v. CONCLUSIONS OF LAW 6 PUGET SOUND AIR POLLUTION AND ORDER 7 CONTROL AGENCY, Respondent. 8 9

This matter, the appeal of a \$250 civil penalty for alleged failure to obtain approval under respondent's Section 6.03(a) of Regulation I, came on for hearing before the Pollution Control Hearings Board, Nat W. Washington, Chairman, and Gayle Rothrock, member, convened at Tacoma, Washington on September 3, 1981. William A. Harrison, Administrative Law Judge presided. Respondent elected a formal hearing pursuant to RCW 43.218.230.

Appellant appeared by its Vice President, George Meyer.

Respondent appeared by its attorney Keith D. McGoffin. Reporter Kim

10

11

12

13

14

15

16

17

Otis recorded the proceedings.

Witnesses were sworn and testified. Exhibits were examined. From testimony heard and exhibits examined, the Board makes these

FINDINGS OF FACT

Respondent, pursuant to RCW 43.218.260, has filed with this Board a certified copy of its Regulation I containing respondent's regulations and amendments thereto of which official notice is taken.

II

During 1979 it came to Puget Sound Air Pollution Control Agency's (PSAPCA) attention that appellant, Graystone Corporation, proposed to construct a new cement plant in Kent. This plant would constitute a new air contaminant source. Accordingly, in September, 1979, PSAPCA advised Graystone to file a "Notice of Construction and Application for Approval" as provided by PSAPCA Section 6.03 of Regulation I. Graystone filed that notice with PSAPCA on October 15, 1979.

III

PSAPCA made no response to Graystone's notice for more than a year after it was filed. The engineering official of PSAPCA responsible for review of the notice was no longer with the agency by the time of this hearing. No evidence was submitted by PSAPCA to explain what review, if any, Graystone's notice received during the period of more than a year following its filing in October, 1979. Neither was there evidence that Graystone inquired after the progress of its notice.

I.

FINAL FINDINGS OF FACT,
CONCLUSIONS OF LAW & ORDER

In December, 1980, a PSAPCA inspector on routine patrol discovered Graystone's newly constructed, operating cement plant (a new air contaminant source) which was described in Graystone's 1979 notice not yet acted upon by PSAPCA.

Accordingly, PSAPCA issued a Notice of Violation to Graystone for constructing a new air contaminant source without the PSAPCA approval required by Section 6.03(a) of PSAPCA's Regulaton I. This was dated December 15, 1980.

On December 22, 1980, PSAPCA wrote to Graystone notifying it, for the first time, that its 1979 notice under Section 6.03(a) was incomplete. Forms were included to allow completion. No sanction was imposed upon Graystone at that time.

V

Graystone's Vice President received the additional forms sent by PSAPCA and at first glance assured PSAPCA that these would be filed by February 1, 1981. Upon closer examination of the forms, however, it appeared to him that the information called for was both multitudinous without end and, possibly, would require disclosure of trade secrets. He discarded the forms during a moment of righteous indignation which--rightly or wrongly--visits all humans from time to time.

VI

When the forms were not received from Graystone, PSAPCA issued, on February 26, 1981, a Notice and Order of Civil Penalty assessing a

\$250 civil penalty against Graystone for violation of the notice and approval provisions of Section 6.03(a) of PSAPCA's Regulation I. From this, Graystone appeals.

VII

Any Conclusion of Law which should be deemed a Finding of Fact is hereby adopted as such.

From these Findings the Board comes to these

 26

CONCLUSIONS OF LAW

I

Section 6.03(a) of PSAPCA's Regulation I provides, in pertinent part:

(a) No person shall construct, install or establish a new air contaminant source,...[exceptions not shown here]...unless a 'Notice of Construction and Application for Approval' on forms prepared and furnished by the Agency, has been filed and approved by the Agency in accordance with Sections 6.07(a) or 6.11. (Emphasis added.)

"Person" includes a private corporation such as appellant, Graystone. Section 1.07(ff) of PSAPCA Regulation I. By constructing a new air contaminant source without prior approval by PSAPCA as required, Graystone violated Section 6.03(a) of PSAPCA Regulation I.

II

Graystone's failure to obtain PSAPCA's Section 6.03(a) approval is a serious matter. The information sought by the PSAPCA forms must be sufficient to allow PSAPCA to determine that the proposed source will, inter alia, be designed and installed to operate without causing violation of emission standards and that the equipment incorporates

FINAL FINDINGS OF FACT, CONCLUSIONS OF LAW & ORDER

"best known available and reasonable methods of emission control".

Section 6.07 cited in Section 6.03(a), above. Consequently Graystone has assumed considerable risk by constructing and placing its equipment in operation before PSAPCA's Section 6.03(a) approval.

Likewise Graystone violated the law, as we have here concluded.

While PSAPCA's response to Graystone's 1979 notice filing was not exemplary, nevertheless PSAPCA has shown patient and constructive restraint by choosing the subject \$250 civil penalty as its sanction for this violation. This civil penalty is fully justified and will be sustained. We note, however, that this resolution of the matter should leave the doors of both parties open to further cooperative communication to the end that Section 6.03(a) approval will be issued if merited. Lastly, as to the possibility that trade secrets may be disclosed, the parties should first be exact in identifying the information truly needed. Thereafter PSAPCA's Section 3.07 provides for the protection of confidential information when it is truly necessary to disclose it. Disagreement over disclosure of information may occasion review and determination by this Board or a court. Such disagreement can never serve as license to proceed without PSAPCA's Section 6.03(a) approval.

III

Any Finding of Fact which should be deemed a Conclusion of Law is hereby adopted as such.

From these Conclusions the Board enters this

1	ORDER
2	The \$250 civil penalty (No. 5005) assessed by PSAPCA against
3	Graystone Corporation is affirmed.
4	DONE at Lacey, Washington, this day of December, 1981.
5	POLLUTION CONTROL HEARINGS BOARD
6	
7	Mas Il Weeken Ta
8	NAT W. WASHINGTON, Chairman
9	/
10	forgle Rothrock
11	GAYLE ROTHROCK, Member
12	William J. Harrison
13	WILLIAM A. HARRISON Administrative Law Judge
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	

25

26